

Sponsorship deal offers Indy its fix

Under new marketing pact, advertisers will be sought to underwrite costs, repair jobs

July 28, 2009

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The Indianapolis Star

Would you mind if KFC put advertising on the streets in your neighborhood if the fast-food chain had fixed all the potholes there and the city didn't have to raise your taxes to do it? How about being forced to stare at ads on the back of street sweepers and snowplows if advertisers had paid for those services?

Indianapolis is betting residents would, indeed, be OK with these ideas and perhaps others.

City officials last week inked a deal with local marketing company Third Street Partners to explore ways to make money through marketing agreements, sponsorships and naming rights.

Think of it as a larger-scale version of the deal that changed the Hoosier Dome to the RCA Dome.

"Some of the biggest opportunities could be some of the city's biggest challenges," said Sean Smith, president of Third Street.

The company, founded by Smith and two other Indiana University grads, will take stock of the city's assets and use them to entice advertisers.

Nothing has happened yet. No advertisers have signed up, and no money has been exchanged.

But the ideas are rolling in.

Third Street has suggested partnering with an insurer to underwrite part of the cost of salting the city's streets in the winter or finding a cleaning-products company to sponsor street-cleaning and graffiti-removal efforts.

Michael Huber, director of enterprise development for the city, said he's recruiting an advisory group of residents who are active in neighborhood associations to help guide the project. That group will help the city stay away from ideas that are too outlandish or offensive, he said.

"We have no intention of covering public spaces with corporate logos," Huber said in an e-mail. "We would like, however, to better engage corporate and nonprofit partners to see if they can play more of a role in helping us fix the city's parks, public spaces, abandoned homes, and advancing other mayoral priorities."

Already, IndyGo buses are shrink-wrapped with advertisements from Carmel-based Internet search provider ChaCha. Sports facilities, including Conseco Fieldhouse and Lucas Oil Stadium, advertise their chief corporate sponsors' naming rights with huge neon signs.

Nationwide, such offbeat partnerships are not unusual either.

San Diego, for instance, has Verizon Communications as its official cell-phone company and Pepsi as its soft-drink provider.

And Louisville, Ky., is in on the act, reaching a deal this spring with a hometown company, KFC Corp. The chicken chain agreed to repair the city's potholes in exchange for having the message "Re-Freshed by KFC" stenciled in chalk on nearby pavement.

"Anything is doable," said Jim Walton, CEO of Indianapolis advertising firm Brand Acceleration. "I think advertisers are open to anything if it's affordable and possibly if it's unique."

The only real barrier to this kind of advertising is what the public will accept, he said. For instance, soliciting a corporate sponsor to buy the naming rights for a stadium was unthinkable a few decades ago, he said.

Third Street says it will work strictly on commission, taking a 15 percent cut of any deal it sets up for Indianapolis during the next two years and a 10 percent cut of deals it arranges after that.

Third Street's contract with the city is aligned with Mayor Greg Ballard's term and runs to Dec. 31, 2011. It was one of 15 companies that submitted bids.

Additional Facts

Third Street Partners

Offices: 5768 Washington Blvd. in Indianapolis, and Chicago.

Founded: Spring 2009.

Principals: President Sean Smith, Chief Creative Officer David T. Jones and Chief Operating Officer Andrew Thompson. All are Indiana University graduates.

What it does: Calling itself an "attention" agency rather than an advertising agency, Third Street Partners specializes in creating sponsorship campaigns and events that link the public and private market. It primarily deals with corporations, such as Kraft, and nonprofit entities.